

DD/S 71-0465

11 FEB 1971

MEMORANDUM FOR: Deputy General Counsel

SUBJECT : Catastrophic Health Insurance

REFERENCE : Memo dtd 26 Jan 71 to DD/S fm
DGC, re same subject

1. I submitted to the Executive Director-Comptroller the study of the ad hoc committee on proposals to assist employees and dependents in financial catastrophes resulting from medically related conditions together with your suggestion submitted to me in reference. Colonel White generally concurred in the recommendations of the committee and we will proceed to try to implement them.

2. He agreed with me that if your proposal is legal and feasible, we could offer the best possible assistance to our employees.

3. Therefore I ask that you undertake a detailed study of your proposal to develop the legal basis for the use of appropriated funds for the payment of premiums or a self insurance plan and establish the parameters and conditions governing payment of catastrophic medical situations. I suggest that you collaborate with the Director of Personnel in the development of your study.

(signed) John W. Coffey

John W. Coffey
Deputy Director
for Support

cc: Director of Personnel w/cy of ref

EO-DD/S:WEB:es (10 Feb 71)

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STATINTL

26 January 1971

MEMORANDUM FOR: Deputy Director for Support

Jack:

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I am submitting an idea that I think you should consider sending forward to the Director on the question of possible improved medical care and hospitalization. This was presented to the working group by [] of this office and apparently the group rejected it. I am not certain of the reasons for rejection but certainly it appears to me that if we want to expose the Director to a full range of possible options that this one should be included. Whether it is feasible, costwise or politically, would be the objective of a more detailed study if the Director determines that this would be a possible avenue.

STAT

[]
JOHN S. WARNER
Deputy General Counsel

Att.

g. The Agency request an underwriter to calculate the cost of an insurance program to cover catastrophe cases involving Agency employees and dependents. The entire cost of the program, if it is determined to be reasonable, would be borne by the Agency. Firm guidelines would be established limiting coverage to appropriate financial hardship cases. Alternatively, the Agency could examine the legality and feasibility of establishing a catastrophe "self-insurance" program within specific parameters.